

DAILY BULLETIN

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BUSH DESCRIBES ISRAEL'S WEST BANK PROPOSALS AS "BOLD IDEAS"

U.S. prefers negotiated settlement with Palestinians, but sees Hamas as obstacle 1

MORE THAN 500 ARRESTED IN CRACKDOWN ON GLOBAL FRAUD SCHEMES

Almost 3 million victims suffered more than \$1 billion in losses 2

U.S. PROPOSES CHANGES TO COFFEE AGREEMENT TO HELP SMALL FARMERS

Among goals are better credit access, capacity building, sustainability 3

SPECIAL U.S. ENVOY FOR COMBATING ANTI-SEMITISM ASSUMES POST

Rice swears in Gregg Rickman, son of Nazi Holocaust survivor 4

BUSH DESCRIBES ISRAEL'S WEST BANK PROPOSALS AS "BOLD IDEAS"

U.S. prefers negotiated settlement with Palestinians, but sees Hamas as obstacle

By Stephen Kaufman
Washington File White House Correspondent

Washington -- The United States prefers a negotiated settlement between Israel and the Palestinians to determine a final status arrangement, President Bush said May 23, but the president also expressed support for Israeli Prime Minister Ehud Olmert's proposals for Israel's withdrawal from the West Bank as "bold ideas" that could lead to a two-state solution.

Speaking with the Israeli leader at the White House May 23, Bush said, "I believe, and Prime Minister Olmert agrees, that a negotiated final status agreement best serves both the Israelis and the Palestinians and the cause of peace."

However, Bush said the Palestinian government currently is led by Hamas, which advocates terrorism and does not recognize Israel's right to exist. "No country can be expected to make peace with those who deny its right to exist, and who use terror to attack its population," the president said

Olmert's ideas "could lead to a two-state solution if a pathway to progress on the road map is not open in the period ahead," Bush said.

"I look forward to learning more about the prime minister's ideas. While any final status agreement will be only achieved on the basis of mutually agreed changes and no party should prejudice the outcome of negotiations on a final status agreement, the prime minister's ideas could be an important step toward the peace we both support," Bush said.

The president expressed the United States' commitment to Israel as a "vibrant Jewish state," and cited "deep and abiding ties between Israel and the United States." He also repeated his pledge to come to Israel's aid "in the event of any attack on Israel" by Iran.

Olmert said his meeting with Bush had been "enlightening," and said the president's involvement in Middle East peace efforts "has been significant," describing Bush's 2002 vision of a two-state solution as "the basis of any progress towards a solution in this region."

He said the victory of Hamas in the January Palestinian elections "severely undermines" the possibility of a genuine peace process, but he intends to "exhaust every possibility to promote peace with the Palestinians according to the road map, and I extend my hand in peace to Mahmoud Abbas, the elected president of the Palestinian Authority."

Olmert later described Abbas as "genuine," "sincere," and expressed his hope that Abbas "will have the power to be able to meet the requirements necessary for negotiations between us and the Palestinians."

If Hamas recognizes Israel's right to exist, rejects terrorism and dismantles terrorist groups, it will find a "willing partner in peace," but Israel "cannot be held hostage by a terrorist entity which refuses to change or to promote dialogue," Olmert said.

The United States refuses to allow funding to support the Hamas-led government, but President Bush said the United States is working with European countries to "come up with a mechanism to get food and medicine and aid" to the Palestinian people.

White House press secretary Tony Snow told reporters earlier in the day that the United States is trying to make humanitarian aid available. "They need food aid, they need medical aid, they need money for other basic needs, and we're trying to make that available to them."

Snow also said the Bush administration does not support a U.S. House of Representatives measure that would cut off aid to many nongovernmental organizations, among other provisions, saying the measure would "unnecessarily constrain" the president.

"[I]t does tie the president's hand in some of the activities that I was talking about just now, which is providing humanitarian aid," he said. "This is an issue that we are pretty certain is going to come before a House-Senate conference, and we hope that those differences will be resolved there."

Asked about the conflict over Iran's nuclear program, Bush said he would continue to "try diplomacy first and exhaust diplomacy," but said the United States is "on the cusp of going to the [U.N.] Security Council."

"[T]he more the Iranians refuse to negotiate in good faith, more countries are beginning to realize that we must continue to work together," Bush said.

For additional information on U.S. policies, see *The Middle East: A Vision for the Future*:
http://usinfo.state.gov/mena/middle_east_north_africa/me_vision.html

MORE THAN 500 ARRESTED IN CRACKDOWN ON GLOBAL FRAUD SCHEMES

Almost 3 million victims suffered more than \$1 billion in losses

Washington – More than 500 people in North America, Central America and Europe have been arrested in the largest international law enforcement operation ever directed at mass-marketing fraud schemes, according to the U.S. Department of Justice.

"Operation Global Con" began on March 1, 2005, and targeted mass-marketing schemes conducted through telemarketing, the Internet and mass mailings. The operation involved "unprecedented" international coordination by law enforcement agencies in the United States, Canada, Costa Rica, the Netherlands and Spain and uncovered fraudulent schemes including advance-fee schemes, bogus lotteries, prize and sweepstakes schemes, tax-fraud schemes and offers of nonexistent investments, the Department of Justice announced May 23.

U.S. investigations alone found that more than 2.8 million victims suffered losses totaling more than \$1 billion as a result of these schemes. Thanks to Operation Global Con, 565 people were arrested, including 310 in Spain, 139 in the United States, 96 in Canada, 11 in the Netherlands and nine in Costa Rica.

At a May 23 press conference, U.S. Attorney General Alberto Gonzales applauded the international cooperation that was forged during the course of Operation Global Con, and indicated that this collaborative approach should serve as a model for future operations.

"The virtual task forces that we have built with Canada, Costa Rica, and the Netherlands provide a new model for us to bring these international con artists to justice," he said.

The Department of Justice added that the operation's success in targeting telemarketing fraud depended heavily on the creation of long-term partnerships with foreign law enforcement agencies and cited the "critical role" that Costa Rican officials played in the recent arrest of alleged participants in "sweepstakes schemes."

As the Justice Department explained, Costa Rican agents -- in cooperation with U.S. postal inspectors, U.S. Immigration and Customs Enforcement agents and the Department of Commerce inspector general -- conducted arrests and searches in Costa Rica that targeted fraudulent operations that used Internet-based telephony and mobile phones to contact prospective victims in the United States.

The Costa Rican callers posed as representatives of official-sounding (but nonexistent) organizations such as the "Sweepstakes Security Commission" and offered sweepstakes winnings of as much as \$4.5 million, said the Justice Department.

Victims were expected to pay "insurance fees" to protect their winnings, and some victims who made the payments then would be contacted again and instructed to pay additional customs fees or taxes, the Justice Department said.

International mass-marketing fraud schemes predominately target elderly Americans, according to the Federal Bureau of Investigation. On May 23, FBI Assistant Director James Burrus said that Operation Global Con should serve as a warning.

"The results of this international collaborative initiative send a serious message to con artists who believe that they can commit these fraud schemes from afar," he said. A fact sheet on Operation Global Con is available on the Justice Department's Web site:
<http://www.usdoj.gov/opa/documents/globalconfactsheet.pdf>

U.S. PROPOSES CHANGES TO COFFEE AGREEMENT TO HELP SMALL FARMERS

Among goals are better credit access, capacity building, sustainability

By Bruce Odessey
Washington File Staff Writer

Washington -- A year after rejoining the International Coffee Organization (ICO), the United States has proposed reforms to help small producers, the Office of the U.S. Trade Representative (USTR) says.

A May 22 USTR press release says the reforms would assist small coffee farmers cope with unpredictable market conditions.

The United States submitted its proposal ahead of the May 22-25 meeting of the ICO Executive Board in London. An intergovernmental organization of coffee-exporting and importing countries, the ICO is considering changes to its expiring charter, the International Coffee Agreement. That 2001 charter marked a sharp departure from ICO's long-standing practice of managing markets and trade to bolster coffee prices. The United States, which helped create the ICO in 1962 but left it in 1993, rejoined the organization in 2005.

"We have proposed structural and functional reforms that will improve the efficiency and effectiveness of the ICO," U.S. Trade Representative Rob Portman said. "The expiration of the current agreement in 2007 presents an opportunity for the members to take action in order to reform the organization so that it can make a real difference."

The United States wants to give the ICO a role in helping small producers survive changing market conditions through improved access to financial credit and to information about risk management.

The proposal would promote ICO capacity-building projects to provide small farmers more access to value-added markets. It also would make changes to ICO structure and operations, including ways to encourage collaboration between importing and exporting members. And it would expand the organization's objectives to include promoting environmental sustainability.

The U.S. proposal (PDF, 4 pages) and a related press release can be accessed at the USTR Web site: http://www.ustr.gov/Document_Library/Press_Releases/2006/May/US_Proposes_Reforms_for_the_International_Coffee_Organization.html

SPECIAL U.S. ENVOY FOR COMBATING ANTI-SEMITISM ASSUMES POST

Rice swears in Gregg Rickman, son of Nazi Holocaust survivor

By Michael Jay Friedman
Washington File Staff Writer

Washington -- Secretary of State Condoleezza Rice on May 22 administered the oath of office to the Department of State's first special envoy for monitoring and combating anti-Semitism.

Gregg Rickman, a former congressional staff member who helped investigate the United Nations Oil-for-Food Program and the retention by Swiss banks of assets belonging to Holocaust victims and their heirs, assumes the position, which was created by the Global Anti-Semitism Review Act of 2004.

Rickman, whose father survived the Nazi Holocaust, or Shoah, that murdered an estimated 6 million Jews along with Poles, Roma, homosexuals and others deemed undesirable by the Nazi regime and its allies, linked the prevention of anti-Semitism to the cause of freedom and democracy.

"If we have learned any lessons from the past, it is that anti-Semitism left unchecked results in disaster," he said. Shaped by Senator George Voinovich (Republican of Ohio) and Representatives Christopher Smith (Republican of New Jersey) and Tom Lantos (Democrat of California), the act mandates a one-time State Depart-

ment Report on Global Anti-Semitism and subsequent inclusion of information about anti-Semitism in the department's annual reports on human rights and on international religious freedom.

Recent years have seen an upsurge in violent anti-Semitic incidents and in the dissemination of anti-Semitic propaganda, including The Protocols of the Elders of Zion, a 19th century forgery positing a Jewish conspiracy to control the world through perversion of traditional social and political institutions. Television stations in some parts of the world have broadcast series based on the Protocols, while Mahatir Mohammad, former prime minister of Malaysia, told the Organization of the Islamic Conference on October 16, 2003, that Jews "rule the world by proxy."

Iranian President Mahmoud Ahmadi-Nejad has called for Israel to be "wiped off the map," a formulation considered by some to be a call for the destruction of the Jewish state. He also has been quoted as calling the Nazi Holocaust of the Jews "a myth."

The worldwide Jewish population today has been estimated at between 13 million and 14.6 million, as compared with about 18 million before World War II. After signing the Anti-Semitism Review Act into law, President Bush on October 16, 2004, pledged that "This nation will keep watch; we will make sure that the ancient impulse of anti-Semitism never finds a home in the modern world."

Rice echoed this sentiment in remarks preceding Rickman's swearing-in. "More than six decades after the Holocaust, anti-Semitism is not just an historical fact, however. It is a current event," she said.

"Defending human dignity means defeating anti-Semitism," Rice said.

The Office of the Special Envoy for Monitoring and Combating Anti-Semitism will be housed with the State Department's Bureau of Democracy, Human Rights and Labor.

The Report on Global Anti-Semitism prepared by the Department of State and released on January 5, 2005, is available on the department's Web site: <http://www.state.gov/g/drl/rls/40258.htm>

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